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Report Highlights:

This is an information on how to export to Costa Rica. It includes a general summary of the country on the political/economic and social situation. Also, there is data on the market situation of the food sector, food import regulations, standards and labeling, distribution channels, transportation access, import requirements, etc.

Includes PSD changes: No
Includes Trade Matrix: No
Annual Report
San Jose [CS1], CS

EXPORTER GUIDE TO COSTA RICA

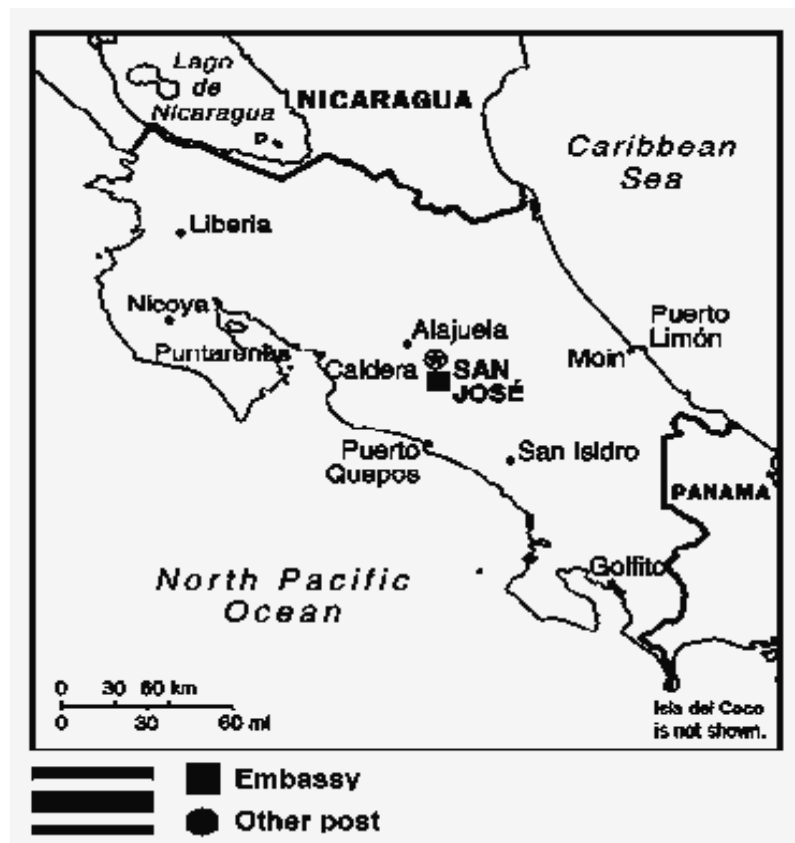


TABLE OF CONTENTS

SECTION I. EXECUTIVE SUMMARY

I.A. COSTA RICA IN BRIEF

SECTION II. MARKET SUMMARY

II.A. MARKET SITUATION

II.B. KEY DEVELOPMENTS FOR RETAIL, FOOD SERVICE AND FOOD PROCESSING MARKET SECTORS

II.C. KEY DEMOGRAPHIC INFORMATION

II.D. ADVANTAGES AND CHALLENGES FOR US EXPORTERS TO COSTA RICA

SECTION III. EXPORTER BUSINESS TIPS

III.A. HOW TO START AN EXPORT ACTIVITY IN COSTA RICA

III.B. GENERAL CONSUMER TASTES AND PREFERENCES

III.C. FOOD STANDARDS AND REGULATIONS

SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

IV.A. DISTRIBUTION AND BUSINESS PRACTICES

IV.B. IMPORTS FROM THIRD COUNTRIES

IV.C. DOMESTIC INDUSTRY

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

V.A. FINANCING

V.B. KEY CONTACTS

APPENDIX I. COSTA RICA STATISTICS

SECTION I. EXECUTIVE SUMMARY

The Republic of Costa Rica is approximately the size of West Virginia (19,575 square miles), with an estimated population of more than 4.0 million people. The literacy rate is calculated at over 95 percent. Due to its perennial Spring climate, stability, and hospitable atmosphere, the country is also home to over 26,000 resident U.S. expatriates.

The new President is Abel Pacheco de la Espriella for the period 2002-2006, represent of the Social Christian Unity Party (PUSC). He is promoting social programs and is fighting against the corruption, moreover, he is taken the Costa Rica economy toward of IMF targets. The public sector fiscal deficit in 2001 accounted for 4.6 percent of GDP, compared to 3.8 percent in 2000. It is expected that the deficit will exceed the Government's 3.3 percent of GDP target by year-end 2002.

Progress has been made in liberalizing the economy, promoting domestic industry and non-traditional exports, and enhancing global trade via bilateral and multilateral agreements. However, unsustainable increases in wages and pensions, mushrooming internal debt, and the dominant role of several remaining State-owned monopolies continue to impede robust sustainable growth.

Unemployment rose from 5.2 percent in 2000 to 6.2 percent in 2001. The economy experienced a weakness growth of 0.9 percent in 2001. The Costa Rican Government forecasts that the 2001 GDP of US\$ 16.300 billion will grow about 3 percent in 2002, although the private sector forecasts less robust growth (less than the rate of the population increase of 1.7 percent). Inflation in 2001 was 11.0 percent, above from 10.5 percent in 2000, and is expected to be in the range of 13 to 15 percent in 2001, compared to the government forecast of 12 percent.

Costa Rica is an active member and/or signatory of the World Trade Organization (WTO), the Central American Common Market (CACM). Costa Rica has reached free-trade agreements with different countries, besides tariff and trade preferential agreements reached with other Central American countries. Current free trade agreements include those with Mexico, the Dominican Republic and Chile. In addition, recently signed one with Trinidad and Tobago, and Canada, also, is negotiating one with Panama. Costa Rica is a beneficiary of the CBI and actively promotes the Americas Free Trade Agreement (ALCA), likely to be in effect beginning year 2005.

I.A. COSTA RICA IN BRIEF

Background:

Costa Rica is a Central American success story: since the late 19th century, only two brief periods of violence have marred its democratic development. Although still a largely agricultural country, it has achieved a relatively high standard of living. Land ownership is widespread. Tourism is a rapidly expanding industry.

Costa Rica is ranked 1st in Latin America in the **Technology Index** for the quality of its environment

for innovation, the capacity to receive international technology and export goods with technological content, and the degree of assimilation of new information and telecommunications technologies (Global Competitiveness Report 2001). It is also the 2nd most competitive country in Latin America (WEF, The Global Competitiveness Report 2001) and it has been ranked among the 30 leading exporters of high-tech products (Human Development Report, 2001).

In a context of sustainable development Costa Rica is ranked 9th out of 142 countries in the Environmental Sustainability Index (World Economic Forum, 2002).

In 1999 INTEL establish an Operations Center in Costa Rica and it is producing micro components for the world market, also, some companies are producing software for international markets with good success and now Costa Rica is classified as a Medium Technologic country.

Location:

Middle America, bordering both the Caribbean Sea and the North Pacific Ocean, between Nicaragua and Panama

Geographic coordinates: 10 00 N, 84 00 W

Area: Total: 51,100 sq km (*)

Land: 50,660 sq km

Water: 440 sq km

(*) Includes Isla del Coco

Border countries: Nicaragua 309 km, Panama 330 km

Coastline: 1,290 km

Maritime claims: Exclusive economic zone: 200 NM

Territorial sea: 12 NM

Maritime territorial extension: 576.150 square kms.

Climate: Tropical and subtropical; dry season (December to April); rainy season (May to November); cooler in highlands

Terrain: Coastal plains separated by rugged mountains

Elevation extremes: Lowest point: Pacific Ocean 0 m

Highest point: Cerro Chirripo 3,810 m

Natural resources: Hydropower

Land use:

-Arable land:	6%
-Permanent crops:	5%
-Permanent pastures:	46%
-Forests and woodland:	31%
-Other:	12%

Irrigated land: 1,200 sq km

Natural hazards: Occasional earthquakes, hurricanes along Atlantic coast; frequent flooding of lowlands at onset of rainy season and landslides; active volcanoes

Environment current issues:

Deforestation and land use change, largely a result of the clearing of land for cattle ranching and agriculture; soil erosion; water pollution (rivers); coastal marine pollution; wetlands degradation; fisheries protection; solid waste management; air pollution. However, in a context of sustainable development Costa Rica is ranked 9th out of 142 countries in the Environmental Sustainability Index (World Economic Forum, 2002).

Environment - international agreements:

Party to: Biodiversity, Climate Change, Desertification, Endangered Species, Environmental Modification, Hazardous Wastes, Law of the Sea, Marine Dumping, Nuclear Test Ban, Ozone Layer Protection, Wetlands, Whaling

Signed, but not ratified: Climate Change-Kyoto Protocol, Marine Life Conservation

Geography - note:

Four volcanoes, two of them active, rise near the capital of San Jose in the center of the country; one of the volcanoes, Irazú, erupted destructively in 1963-65

Population: 3,874,972 (end 2001)

Immigrants: 800,000

Age structure: 0-14 years:	31.94% (male 633,225; female 604,268)
15-29 years:	27.05% (male 530,320; female 517,742)
30-59 years:	33.10% (male 654,227; female 628,571)
60 years and over:	7.91% (male 142,885; female 163,734)

Population growth rate: 1.7%

Birth rate: 20.27 births/1,000 population

Death rate: 4.3 deaths/1,000 population

Infant mortality rate: 11.18 deaths/1,000 live births

Life expectancy at birth:	Total population:	76.02 years
	Male:	73.49 years
	Female:	78.68 years

Total fertility rate: 2.47 children born/woman

Ethnic groups:	White (including mestizo):	94%
	Black:	3%
	Amerindian	1%
	Chinese	1%
	Other	1%

Religions:	Roman Catholic:	76.3%
	Evangelical:	13.7%
	Other Protestant:	0.7%
	Jehovah's Witnesses:	1.3%
	Other:	4.8%
	None:	3.2%

Languages: Spanish (official), English widely spoken, specially in the Caribbean region.

Literacy:	Definition:	age 12 and over can read and write
	Total population:	95.2%
	Male:	95.1%
	Female:	95.3%

Country name: Republic of Costa Rica

Government type: Democratic republic
Presidential regime

Capital: San José

Administrative divisions:

7 provinces: Alajuela, Cartago, Guanacaste, Heredia, Limón, Puntarenas and San José

Flag description: Five horizontal bands of blue (top), white, red (double width), white, and blue, with the coat of arms in a white disk on the hoist side of the red band

Economy overview: Costa Rica's basically stable economy depends on tourism, agriculture, and electronics exports. Poverty has been substantially reduced over the past 15 years, and a strong social safety net has been put into place. Foreign investors remain attracted by the country's political stability and high education levels, and tourism continues to bring in foreign exchange. However, traditional export sectors have not kept pace. Low coffee prices and an overabundance of bananas have hurt the agricultural sector. The government continues to grapple with its large deficit and massive internal debt and with the need to modernize the state-owned electricity and telecommunications sector.

GDP: purchasing power parity - \$16.3 billion, **real growth rate:** 0.9%, **per capita:** \$4,130

GDP - composition by sector:

-Agriculture:	13.0%
-Industry:	22.0%
-Commerce and tourism:	40.0%
-Other services:	25% (Finance/Insurance: 8%, Personal 3%, electricity and water 2%, Transport and communications 4%, community 2% and business 6%)

Population below poverty line: 23.0%

Household income or consumption by percentage share:

Lowest 10%: 1.3%
Highest 10%: 34.7%

Inflation rate: 11%

Labor force: 1.9 million

Labor force - by occupation:	Agriculture:	15,1%
	Industry:	15,0%
	Commerce and tourism:	25,8%
	Construction:	6,9%
	Services:	37,2%

(Finance/Insurance: 7,9%, Education: 5,5%, public administration 4,7%, health 3,8%, electricity and water 1,3%, transport and communications 5,5%, community and personal 3,9% , fishing and mining 0,6% and other 4,6%)

Unemployment rate: 6,1%

Budget: Revenues: \$3.97 billion
Expenditures: \$2.3 billion, including capital expenditures of \$NA
Exclude public debt services.

Industries: Microprocessors, food processing, textiles and clothing, construction materials, fertilizer, plastic products.

Industrial production growth rate: 3,4%.

Electricity - production: 7.128 billion kWh

Electricity - production by source:	Fossil fuel:	2.41%
	Hydro:	83.32%
	Nuclear:	0%
	Other:	14.27%

Agriculture products: Coffee, pineapples, bananas, sugar, corn, rice, beans, potatoes; beef; timber, ornamental plants, dwarf palm, vegetable oil, melon.

Exports: \$5.9 billion (f.o.b.)

Exports commodities: Coffee, bananas, sugar; pineapples; textiles, electronic components, medical equipment.

Exports partners: US 52.2%, EU 21.3%, Central America 8.6%

Imports: \$6.4 billion (cif)

Imports commodities: raw materials, consumer goods, capital equipment, petroleum

Imports partners: US 53.5%, EU 9%, Mexico 6.0%, Central America 4.4%, Japan 3.3%

Total Public Debt: \$9.3 billion (56,8% GDP).

Foreign Debt: \$3.2 billion, 34,5% (19,6% GDP)

Domestic Debt: \$6.1 billion, 65,5% (37,2% GDP)

Currency: Costa Rican Colón (CR¢)

Exchange rate: Costa Rican colones per US dollar: ¢ 359.7 (June 2002).

Transportation

Railways: Total: 950 km
Narrow gauge: 950 km 1.067-m gauge (260 km electrified)

Highways: Total: 37,273 km
Paved: 7,827 km
Unpaved: 29,446 km

Waterways: 730 km (seasonally navigable)

Pipelines: petroleum products 176 k

Ports and harbors: Caldera, Golfito, Moin, Puerto Limón, Puerto Quepos, Puntarenas

Airports: 139

International airports: 4

-Juan Santamaría, Alajuela
-Tobias Bolaños, San José
-Daniel Oduber, Guanacaste
-Limón, Limón

Airports with paved runways:

Total: 26

2,438 to 3,047 m: 2

1,524 to 2,437 m: 1

914 to 1,523 m: 18

Under 914 m: 5

Airports with unpaved runways:

Total: 113

914 to 1,523 m: 24

Under 914 m: 89

Nature of bilateral relationships with the United States: Bilateral relations between the United States and Costa Rica remain excellent. However, there are some minor differences, that involve trade (particularly in textile and rice), expropriations, and squatters on properties owned by U.S. citizens.

Although the extradition of fugitives has been a troublesome issue, a December 1996 ruling by Costa Rica's Supreme Court reinstated the bilateral extradition treaty between the United States and Costa Rica.

Issues affecting business climate: Foreign investors generally consider Costa Rica a friendly environment except for certain sectors specifically reserved for the State. For example, in 1995, the Costa Rican Supreme Court determined that officials had unconstitutionally granted Millicom, a U.S. telephone company, the concession to provide cellular telephone services. After ceasing operations, Millicom is suing the Costa Rican Government in a U.S. court. Costa Rican officials argue that the U.S. court does not have jurisdiction.

Other contentious issues affecting the business climate involve property ownership. Expropriation, the Government taking of private property (usually undeveloped land) without adequate compensation, has been an important negative factor affecting the bilateral business climate for over 20 years. However, significant progress has been made in recent years toward resolving many of the outstanding cases, including one submitted to international arbitration.

A related problem involves the invasion and occupation of various U.S. citizen-owned properties by sometimes violent squatters. In some cases, the Costa Rican police and judicial system have failed to deter or to peacefully resolve such invasions.

Assuming extension of the Generalized System of Preferences (GSP), Costa Rica is not likely to lose GSP benefits because of alleged violations of international labor standards. The AFL-CIO withdrew a 1993 petition, earlier accepted by the United States Trade Representative, after the Costa Rican Government enacted legal reforms that prohibited Solidarity Associations from engaging in collective bargaining. Costa Rican labor unions, however, have submitted several complaints about unfair labor practices to the International Labor Organization which, if not resolved, might lead to submission of another AFL-CIO petition.

Synopsis of the Political System : The Costa Rican political system is a long-standing, stable Constitutional democracy with a unicameral Legislature directly elected in free, multiparty elections every four years. Abel Pacheco de la Espriella of the Social Christian Unity Party (PUSC) won the April 2002, second round, presidential elections, in which about 60 percent of eligible voters cast ballots. His party not gained a plurality in the Legislative Assembly, because with difficulty winning 18 of 57 seats. The National Liberation Party (PLN) won 17 seats, the Citizen Action Party (PAC) won 14 seats, the Libertarian Movement (ML) won 7 seats, and the Christian Renovation Party (CRP) won one seat. The next elections for President and the Legislative Assembly will be in February 2006.

The two major parties are centrist, with the ruling PUSC tilted to the Christian Socialist right and the opposition PLN inclined to the moderate Social Democratic left, and the new forces, PAC and ML are inclined to social reforms. Party leaders, however, tend to blur these policy and ideological differences. Moreover, the Costa Rican emphasis on consensus pushes most governments toward the ideological center. The three minority parties currently hold an important balance in the Assembly, with neither major party enjoying an outright majority.

The Supreme Court has 22 Magistrates divided among four chambers, including the Constitutional Chamber (Sala IV), whose members decide over constitutional issues involving laws and court cases.

The 1949 Constitution abolished Costa Rica's military forces, and in 1983, then President Luis Alberto Monge proclaimed the country's permanent neutrality. The Constitution created a powerful independent body, the Supreme Electoral Tribunal (TSE) to oversee elections. The Constitution, as amended in 1969, limits the President to one four-year term. The President may not be reelected. Legislators may gain reelection only after sitting out a term.

Costa Rica's market-based economy depends primarily on agriculture, industry and tourism. The Constitution protects the right to own private property; however, in the past, domestic and foreign property owners have encountered difficulty gaining compensation for lands expropriated for national parks or indigenous reserves, or invaded by squatters. A new expropriation law, enacted in 1995, was designed to help prevent new expropriation disputes by explicitly requiring the government to provide owners with adequate compensation before seizing properties.

SECTION II. MARKET SUMMARY

The Costa Rican market continues to be full of opportunities for exporters from the U.S. and other countries, since consumers' demand for goods and services is high and shows an increasing trend for the next few years.

It is important to highlight the significant increase in the number of homes where there are two or more employed adults, which shows a 61% of the total for 2001, as compared with a 59% in 2000. This allows to predict an increase in purchase capacity in an important segment of the population.

The consumer food/beverage and edible fishery products segments of the market show a particularly promising picture, since quality of life for the consumers starts with an improvement in their eating/drinking habits and preferences. This factor opens a good potential for the U.S. products in Costa Rica.

The Commercial Code of Costa Rica in its Chapter related to representation of foreign companies (Agents, Distributors, and other forms of representation) states the following: All foreign companies may freely do business in Costa Rica through distributors, concessionaires, by proxy or agents and through representatives of foreign companies, excepting agencies and branches of foreign companies, whose products are manufactured in our country (Costa Rica) and, as such, may exercise directly and freely the distribution and representation of their lines of products, as well as those of Central American origin, having been duly verified. While the representative may be either a Costa Rican citizen or a resident alien, he/she must have resided in Costa Rica for at least ten continuous years and must have done business in Costa Rica for three years. To market aggressively, U.S. firms should establish local representation or a local sales office. Although a U.S. firm may export directly to Costa Rican companies, the use of a qualified representative is recommended strongly in order to participate in Costa Rica's government procurement system, as well as to market successfully within the private sector. Because Costa Rica is a small country, most U.S. companies will find that identifying one distributor or representative is sufficient to cover all of Costa Rica.

Finding a partner: Use Agents and Distributors:**Industrial Sectors**

The U.S. Department of Commerce, which manages the Commercial Section of the U.S. Embassy in San Jose, offers U.S. companies a range of assistance in identifying potential business partners in Costa Rica. Help is provided by telephone, fax and through direct appointments.

The Commercial Section encourages U.S. firms to first make contact with their nearest U.S. Export Assistance Center (U.S.-based offices of the U.S. Department of Commerce, located in more than ninety U.S. cities).

If a U.S. business person is unsure of the location of the nearest U.S. Export Assistance Center, help is available centrally through the Department of Commerce's Trade Information Center by calling 1-800-USA-TRAD. The Trade Information Center can answer basic questions and identify the most convenient U.S. Export Assistance Center for direct help. U.S.-based Department of Commerce Trade Specialists can assist with information about markets worldwide, help in identifying the most promising markets for a given product or service, and work as a partner in developing a marketing strategy, consistent with a firm's objectives and resources. Each U.S. Export Assistance Center has direct access by e-mail with other U.S. Department of Commerce offices worldwide. It also maintains a current data base of market research reports that are keyed to many of the best export prospects in each market overseas.

Among the more popular export marketing services of the Department of Commerce, is the Gold Key Service. The Gold Key Service, which is designed to introduce U.S. businesses to potential business partners/representatives and includes a nominal fee, consists of a carefully tailored schedule of pre-screened, pre-arranged appointments with reliable local firms. The Gold Key Service includes an interpreter, as well as a personal market briefing prior to beginning the appointment schedule. This convenient, inexpensive program assists firms in compressing the time frame for identifying local business partners in target markets overseas.

For U.S. firms seeking foreign representation but which are not able to travel immediately to Costa Rica, the U.S. Department of Commerce offers the Agent/Distributor Service (ADS). The ADS is initiated through the stateside U.S. Export Assistance Center that is most convenient for the U.S. exporter.

The ADS is somewhat similar to the Gold Key Service in that it identifies Costa Rican businesses that are potential local representatives and who have expressed an interest in communicating further with the U.S. business, based on a review of the U.S. firm's product literature. The results of the ADS search are communicated to the U.S. firm through its nearest U.S. Export Assistance Center. Again, there is a nominal fee to firms for this service.

Before finalizing any contract, whether it be for a sale or representation, U.S. companies are urged to obtain information on the bona fides of the foreign firm, including reliable business and financial references. The U.S. Department of Commerce offers a service known as an International Company Profile (ICP). The ICP is a confidential report on a foreign firm, providing a commercial and financial profile, including business and financial references.

A change in Costa Rica's Commercial Code removed the requirement or need for local firms to obtain commercial licenses, thus reinforcing the recommendation that U.S. firms evaluate potential future business partners carefully before making contractual commitments. According to the Costa Rican Commercial Code, when a company breaks an agreement with an agent/distributor, that company must compensate the agent or distributor according to a formula based on the history of sales made or commissions earned by the Costa Rican company. The compensation formula is affected by the terms of any written agreement between the parties; thus, for fairness to all parties, it is important to have a written agreement in place and to have that agreement reviewed, prior to signature, by a competent, qualified attorney familiar with Costa Rican law.

Besides, the Costa Rican Commercial Code permits a U.S. company wishing to participate in a public tender the opportunity to do so directly and without a local Costa Rican representative. The only requirement is that the official representing the U.S. company must have a Power of Attorney which must be certified by a Costa Rican Consulate in the United States. However, the process of bidding on public tenders is usually a tedious process, accomplished best through the employment of a qualified Costa Rican representative.

Costa Rican firms wishing to represent U.S. companies may request that they be named the exclusive representative in the market. However, local attorneys familiar with the Costa Rican Commercial Code and the dynamics of this small, competitive market recommend against exclusive representation contracts, retaining for the U.S. firm the right to sell to other representatives/importers in the market. For the latest changes in Costa Rica's commercial mercantile code, we recommend strongly that U.S. companies employ the services of a qualified Costa Rican attorney (lists can be obtained from the Commercial Section and from the Consular Section of the Embassy).

Agricultural Sector

Distribution channels do not vary significantly among the different food products. Some products (e.g. fresh fruits) require technical handling knowledge due to the fact that they are more sensitive to environmental conditions and require refrigerated warehouses.

Imports of consumer foods are made by private firms. There are several wholesalers dedicated to the food import business with distribution of products to supermarkets and to medium and small stores. Some of the larger supermarket chains import directly.

A list of the most important Costa Rican importers of consumer oriented foods can be found in the following USDA/FAS reports: CS6015, CS5012. Another option is to contact the Office of Agricultural Affairs for its list of importers, wholesalers and distributors.

The United States is one of the most important commercial agricultural partners of Costa Rica due to its geographical proximity, high quality, and wide selection of competitively-priced products.

U.S. products are competing with Mexican (Mexico-Costa Rica FTA entered into effect Jan. 1995), Guatemalan and Chilean products such as canned fruits and vegetables, snacks, wheat-based products.

fresh fruits, and candies. New trades agreements were signed recently with Dominican Republic, Trinidad and Tobago and Canada, also is negotiating one with Panama.

Grain imports are made by a limited number of players. Until the end of 1994, all wheat was imported by the National Production Council (CNP). Since the beginning of 1995 the two private sector mills have been allowed to import wheat, while CNP pulled out of the wheat market. Two purchasing groups of private sector importers make almost all imports of yellow corn and all imports of soybeans (both imported in the same ship, roughly on a monthly basis). White corn has been imported by the Mexican-owned company DEMASA for tortilla production. Rice is imported by a group of millers associated under the name Granos Basicos de Centroamerica. However, one mill imported rice independently this year. Neither CNP nor the Rice Office are importing rice any longer.

This change occurred at the end of 1994 as a result of the implementation of the Agreements of the Uruguay Round. Since December 1994, no import permits (other than phytosanitary and zoosanitary) are required for imports of grains, poultry, meat, dairy products or any other agricultural product, per the terms of Costa Rica's GATT accession agreement.

II.A. Market situation

During 2001 there is an increasing trend in visits to Shopping Centers and Supermarkets within the middle socioeconomic class, while the habit of buying in "neighborhood convenience stores", so popular among Costa Ricans through the years, has decreased by 10% since 1999. This means a higher potential for the purchase of imported goods, which are more widely marketed through supermarkets and each Shopping Center has at least one supermarket inside.

On the other hand, Mexican and Chilean products have been very aggressively entering the market and their strong presence calls for a more aggressive promotional investment for the U.S. products. In a comparative assessment of preferences, U.S. products continue to be perceived as the best quality. Price, on the other hand, is an important factor and if quality is comparable, consumers will switch brands.

It is important to mention that three of the five main import products (wheat, corn and seeds/fruits), even when they show positive growths in CIF imports during 2001, they had important decreases during 2000, as compared with 1999.

II.B. Key developments for retail, food service and food processing market sectors

- During the last two years there has been an increasing trend to buy in Shopping Malls in the Central Valley Area. There are ten important Shopping Malls, where visitors can find department stores, supermarkets and all kinds of shops and convenience stores, plus movie theaters.
- More and more, families do their weekly supermarket shopping at these Shopping Malls, where

they also dine and go to the movies.

- Supermarkets located in the Shopping Malls offer a wide variety of imported products, such as canned foods, frozen foods and wines/liquors. Supermarket chains also have facilities located outside the Shopping Mall areas, in strategic locations throughout the Central Valley.
- There has been an increase in the Mexican and Chilean imports in the food/beverage markets, which compete with local products, at similar or lower prices than Costa Rican products.
- Supermarkets have widened their lines of products and not only they offer food/beverage products but consumers find all kinds of products, turning these facilities into department stores.
- Fast Food products (U.S. franchises) have developed very rapidly during the last few years in Costa Rica.

II.C. Key demographic information

DEMOGRAPHIC FEATURES OF THE COSTA RICAN MARKET, BY SOCIO-ECONOMIC LEVELS

	Social Class			
	Market total	Middle lower	Middle	Upper
Number of adults (in 000's):	2,351.8	1,058.3	987.8	305.7
Base (% of the market)	100%	45%	42%	13%
Sex				
Male	49	41	55	57
Female	51	59	45	43
Age				
18-24	14	14	23	28
25-34	17	25	25	27
35-44	29	20	18	19
45-54	18	19	19	18
55 or more	22	22	15	8
Middle age	34	40	36	32
Education completed				
Elementary or less	53	50	14	3
Incomplete high school	23	25	24	11
Complete high school	29	12	20	15
Technical or incomplete college	19	9	25	30
Complete college or more	12	4	17	41
Occupation				
Technical/professional	12	4	17	30
Exwcutives/managers/owners	8	1	4	5
Administrative jobs	7	6	9	8
Merchants/salesmen	10	10	11	10
Transportation	3	3	3	<
Artists	9	14	11	5
Service providers	4	8	5	3
Other/didn't specify	2	2	1	<
Students	13	5	12	20
House wive	26	39	19	12
Retired	5	6	7	6
Other/unemployed	1	2	1	1
Household with one employed adult	26	43	33	31
Household with 2 or more employed adults	59	51	64	67

Marital status

Married/	58	59	58	53
Single	31	26	34	40
Widowed/divorced/separated	11	15	8	7

Children in household

Under the age of 5	63	62	63	63
Between 5 and 10 years old	25	31	26	19
Over 10 years old, but under 16	23	33	29	27
	28	34	38	41

Household income

Under 103.920 colones per month	60	53	14	1
103.921 – 250.000 colones		36	39	11

30

250.000 colones and over	10	11	47	88
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Income per month (middle class, in 000's of colones)	207.4	64	134.4	350.3
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House

Own	79	69	84	90
Rented	20	28	16	10

Geographical ubication

Reside in San Jose	66	70	63	62
Alajuela	10	12	16	21
Heredia	15	8	2	9
Cartago	9	10	9	8

Notes: Percentages should be read vertically.

Source: Instituto Nacional de Estadística y Censos INEC.

II.D. Advantages and challenges for U.S. exporters to Costa Rica

<i>Advantages</i>	<i>Challenges</i>
The movement of people from rural to urban areas continues at a rapid pace.	Recent scare over pesticide residues on imported vegetables still affects consumer purchasing behavior.
The growing food processing industry is looking for new imported food ingredients	Domestic producers are receiving foreign investment to upgrade production efficiency and product quality.
Domestic distribution infrastructure is efficient.	High marketing costs to increase consumer awareness.
Costa Ricans relate adequately with American culture and this chemistry is also applied to American food.	U.S. dollar increasingly appreciated against the currencies of major foreign competitors in the last semester.

SECTION III. EXPORTER BUSINESS TIPS

III.A. How to start an export activity in Costa Rica?

The most appropriate way to do business in Costa Rica, if an exporter will not establish a factory in the country, is to appoint a local company or individual to represent his Company. There are Representatives of Foreign Companies, which carry out business on behalf of their represented companies from the U.S. or any other country.

The following chart shows the main laws and regulations ruling the representative of foreign companies distributors and manufacturers.

MAIN REGULATORY LAWS AND DECREES FOR REPRESENTATIVES OF FOREIGN COMPANIES	
–	Law No. 3284. Commerce Code Chapter VII with regard to the Representatives of Foreign Companies
–	Law No. 6209. Protection for the Representatives and Distributors of Foreign Companies
–	Executive Decree No. 8599-MWIC. Regulation to Law No. 6209, March 9, 1978
NOTE: Complete description of the above laws and decree can be obtained from CRECEX (Camara de Representantes de Casas Extranjeras or U.S. Embassy in San Jose)	

In the food/beverage market, as well as any other market, it is advisable that U.S. exporters seek for the best possible way to establish a relationship with a reputable business to be represented in the country. The U.S. Embassy in San Jose can provide references of suitable candidates to contact for this purpose. (Call 506-220-3939, ext. 2285).

Also, there is a Chamber of Foreign Companies' Representatives (CRECEX), to which all the well established and experienced representatives are affiliated. (Call 506-253-0126).

The Food Industry Chamber (CACIA) also helps with references on companies representing foreign firms in the Food/Beverage market. (Call 506-234-1127).

III.B. General consumer tastes and preferences

There are differences in the preferences of the consumers among the three defined socioeconomic levels. U.S. ready-to-buy products are mainly used by middle and high classes, mostly because of pricing factors. It is important to mention, however, that Costa Ricans are eager to progress and have a better life everyday, so consumers try to buy the best quality products they can, as far as their budgets allow for it. High class consumers have more than twice the income per family and purchase power, and tenfold possibilities to be more educated than low middle class consumers. Even when both socioeconomic classes are food and beverage consumers, their tastes and preferences regarding quality and quantity are different.

Preferences for more convenient ways to prepare foods are changing and working people tend to use more canned and frozen foods than in previous years. The tourists impulse new habits and ways to eat different foods. There is an opportunity to the food industry.

Fast food restaurants have increased in number and express service is in great demand. During weekdays, employees and business people order express service to the offices for lunch, which is the strongest meal of the day in Costa Rica. During weekends, many families order express service instead of cooking.

Also, dining out during the weekends is customary for many families of middle and high classes. Investment in the restaurant and hotel areas has increased at a rapid pace during the last five years.

The wide offer of places offering fast food and express service has established a hard competition to achieve consumers' preference.

III.C. Food standards and regulations

Imports of agricultural products to Costa Rica are controlled by different institutions and methods.

According to the Costa Rican Comptroller's Office, in the absence of a national standard, a Codex Standard may be used instead, although its application is not enforced at this time by the Costa Rican government.

Registration of food products

Prior to marketing in Costa Rica, imported food products must be registered at the Department of Food Control in the Ministry of Health. It is customary that importers and U.S. suppliers share the costs of the registration process.

According to a recent decree, for registration purposes, food products are classified as food products, or additives or raw materials.

Dairy products, meat products, seafood and infant formulas require laboratory testing to ensure compliance with the Costa Rican import standards.

The following chart shows the list of requirements for registration of food product

REQUIREMENTS FOR REGISTRATION OF FOOD PRODUCTS – DOCUMENTS MUST BE SUBMITTED IN SPANISH
<ul style="list-style-type: none">-Registration request form, typewritten, original and copy-Certificate of Qualitative Composition of the product ingredients-Certificate of Quali-Quantitative composition of additives used in the product, issued by the manufacturer or other competent sanitary authorities from the origin country (for registration of additives, its components must be indicated)

- Sanitary certificate issued by the Government of origin country, indicating that the product exported to Costa Rica is allowed for free sale and consumption and meets the required food specifications in the origin country (duly authenticated by the Costa Rican consul and countersigned by the Costa Rican Ministry of Foreign Relations)
- Receipt of payment from the Treasury of the Costa Rica Ministry of Health, of laboratory analysis performed
- Two samples of 100 grams or larger, submitted in the actual package to be used, properly identified with name of the product and manufacturer

NOTE: Certificates must be submitted in Spanish. If submitted in any other language, an official translation from the Ministry of Foreign Relations must accompany the documents.

Registration must be renewed every five years, fulfilling the same requirements as the original registration.

Labeling requirements

Strict regulations apply to the labeling of food products. The following chart shows the mandatory information required for food product labels, which have to be issued in Spanish:

MANDATORY INFORMATION FOR LABELS OF PRODUCTS – SPANISH
<ul style="list-style-type: none">-Name of the product-Net content and drained weight in units of the international system-Artificial colors and flavors (if there are any)-List of ingredients listed in decreasing order by weight-Name and address of the importer-Lot number and expiration date-Country of origin-Conservation and use instructions

Additional information on food and agricultural import regulations and standards can be obtained through the U.S. Embassy in San Jose.

Import and inspection procedures

DOCUMENTATION REQUIRED FOR IMPORTATION TO COSTA RICA

Goods in general	Commercial invoice, bill of lading and Airway bill.
Mail shipments	Only postal documentation
Bulk agricultural and horticultural products	Commercial invoice, bill of lading, airway bill and phytosanitary certificate
Fresh and frozen meats	Commercial invoice, bill of lading, airway bill and zoosanitary certificate (USDA/FSIS)
Toxic substances	Commercial invoice, bill of lading, airway bill, import permit from the Costa Rican Ministries of Health and Agriculture
Insecticides, pesticides and agricultural chemicals	Commercial invoice, bill of lading, airway bill, import permit from the Costa Rican Ministries of Health and Agriculture

Ocean and Air Transportation

Ocean Freight: Ocean freight transit time from the main U.S. ports to Costa Rica is as follows:

PORTS OF DEPARTURE:	TRANSIT TIME:
New York / New Jersey	12 days
Wilmington, DE	5-6 days
Atlanta, GA	5-6 days
New Orleans, LA	7-8 days
Gulfport, MS	5-6 days
Miami, FL	4-6 days
Houston, TX	8-9 days
Long Beach, CA	10-15 days

NOTE: From all ports, there are weekly sailings with fixed schedule.

Ports of Entry

Atlantic Coast: Puerto Limon

Pacific Coast: Puerto Caldera

Customs Process, drayage to San Jose

Puerto Limón: Customs: Up to 8 hours time

— Drayage to San Jose: 5 hours
Pre-clearance allowed 12 hours before vessel's arrival

Puerto Caldera: Customs: Up to 8 hours time
— Drayage to San Jose: 3 hours
Pre-clearance allowed 12 hours before vessel's arrival

Air Freight: For light or urgent cargo, there is air transportation available. Miami, FL is the only terminal with direct cargo carriers.

Transit Time: Miami – San Jose: 2 hours , 45 minutes

Flights available for cargo transportation:

- * _ Next day flight (24-36 hours) from origin to San Jose, available for small parcel only
- * Two-three day service from origin to San Jose
- * _ Four-five day service from origin to San Jose
- * Minimum of four cargo flights daily to San Jose

Aircraft models available for cargo freight to Costa Rica:

- * DC-8
- * Boeing 757
- * _ L1011
- * DC-10

NOTE: within the u.s. mainland, freight can be moved by truck, rail or air.

Port of Entry: Aeropuerto Internacional Juan Santamaria

Customs clearance time: 4-6 hours

Local transportation: It will depend on the distance from the Bonded Warehouse to customer's warehouse. In most cases, It will take 30-90 minutes to move the cargo within the Central Valley area.

SECTION IV: MARKET SECTOR STRUCTURE AND TRENDS

Distribution and Business Practices :

The Commercial Code of Costa Rica allows foreign companies to do business in the country through distributors, concessionaires, by proxy or agents, and through other forms of representation. Agencies and branches of foreign companies who manufacture in Costa Rica may distribute and represent their products directly. A local representative may either be a Costa Rican citizen or a resident alien, but he/she must have resided in Costa Rica for at least ten continuous years and must have done business in Costa Rica for three years.

To achieve an adequate presence in the market, U.S. firms should consider to establish a local representation or a local sales office. Although a U.S. firm may export directly to Costa Rican companies, the use of a qualified representative is strongly recommended.

Regardless of the segment of the market to enter in Costa Rica, the best entry approach for new-to-market exporters is to contact the U.S. Embassy in San Jose, Agricultural Department (506-220-3939) to obtain help to contact Costa Rican companies interested in a joint venture or representation of the U.S. firm.

Market trend

The GDP of the agricultural sector growth 1,6% in the year 2001, in the previous year 0,6% and 4,5% in 1999. The agricultural products exports in 2001 were USD \$ 1.2 billion and represents 23% of the total exports. And, in the other hand, the agricultural imports were USD\$ 470 million in the same year, represent an increase of 7.3 percent with respect to 2000.

In the last few year significant change has taken place in the structure, income, and price of goods in Costa Rica as a result of change in consumer tastes and the increase in women participation in the labor force. In addition, demand has been fueled by an increasing per capita income, higher urban concentration, extensive expansion of the tourism sector, and ever-increasing change in the lifestyle of the Costa Rican population. In fact, continuous increase of 4 and 6 percent is expected in both demand and domestic consumption for the next few years.

The food service and food processing segments continue growing, as consumers tend to move to easy to prepare foods and take outs and express services in restaurants.

The Costa Rica income per capita is among the highest in Latin America \$4.290 in 2000 and \$4.130 in the 2001. In the year 2001 Costa Rica imported US\$2.18 billion of food and agricultural products, 53.5 per cent of which came from the United States (US\$1.16 billion). Thus, Costa Rica is a significant destination for U.S. exports.

Imports from third countries: During the last years, food imports from Mexico and Chile have grown at an important rate in Costa Rica. Ready-to-consume foods (canned, frozen, packed) in the supermarkets display a wide variety of brands from these two countries.

Some Mexican companies have even established factories in the country, such as bread, corn derivatives, canned fruits and vegetables and others due to the Free Trade Treaty (TLC) signed between the two countries in 1996. Chile imports a wide variety of candy products, as well as canned seafood and fruits.

Domestic Industry: There has been a trend to mergers during the last years in the country, mainly due to the need to join forces and reduce costs. The Costa Rican Food Industry is capable to fill the local demand; however, as foreign companies enter the market, ~~either to produce in the country or~~ produce to export to other markets.

Costa Rican industry has felt an impact in demand, due to the low prices of the Mexican and Chilean products, also, some multinational companies have made several fusions and acquisitions (M&A) in Costa Rica: Nestle, Bimbo, Bredy, Nabisco, Parmalat.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

V.A. FINANCING

Costa Rica's banking system is dominated by three State-owned banks, Banco Nacional de Costa Rica, Banco Credito Agrícola de Cartago and Banco de Costa Rica. In September 1996 these banks lost their monopoly on demand deposits (checking and savings accounts) and access to the Central Bank's discount window. The private banks provide a wide range of banking services in Costa Rica and are forcing the State owned banks to boost their competitiveness.

In Costa Rica there are 16 private banks, for example: Interfin, San José, BCT, Banex, Bantec, UNO, Improsa, Bicsa, Cuscatlan, etc. The private banks receive the 33% of the Costa Rica deposits and produce the 30% of operations benefits (utility).

The only US Bank with a local operation in Costa Rica is Citibank, which operates as a local bank (Citibank Costa Rica, S.A.) and a brokerage company (Citivalores Puesto de Bolsa, S.A.). Additionally, the Central Bank of Costa Rica recognizes 59 international banks, such how: ABN Amro, Allfirst Bank, Bank of America, Deutsche Bank, Dresdner Bank, First Union National Bank, Royal Bank of Canada, Scotiabank,

The local market in Costa Rica is characterized by short-term loans, high interest rates and high financial mediation spreads. The spread between deposit rates and lending rates has decreased significantly since 1999, primarily because of excess liquidity, lower interest rates and a gradual lowering of Central Bank reserve requirements. The average lending rate in 2001 was 25 percent for loans in local currency, and 11 percent for US dollars.

Costa Rican public and private banks provide full trade servicing services, including letters of credit, export financing, and other trade services.

Letter of Credit (L/C) is the most common and secure method of payment for international trade. Under the terms of the letter of credit, the importer may not have access to the goods until the exporter receives payment. Letter of credit operations are strongly recommended for Costa Rica, especially if the business relationship between the US exporter and the local importer is still developing.

V.B. KEY CONTACTS

1. U.S. EMBASSY COMMERCIAL, AGRICULTURAL AND TRADE RELATED CONTACTS

U.S.Department of Commerce-U.S.Commercial Service

Unit 2508

APO, AA 34020-9508
T:(506)220-3939 ext. 2203, 2207, 2263/220-2454
Fax:(506)231-4783
E-mail: san.josecr.office.box@mail.doc.gov
Website: www.USATRADE.gov/CostaRica
Ms. Margaret Hanson-Muse, Commercial Attaché
Mr. Víctor Cambronero, Senior Commercial Specialist
Mr. Rodrigo Rojas, Commercial Specialist
Ms. Roger Schisholm, Commercial Assistant
Mr. Roy Fernández, Commercial Assistant

U.S. Department of Agriculture (USDA)

Foreign Agricultural Service (FAS)

Unit 2507
APO AA 34020
T:(506)220-3939 Ext. 2333 F: (506)232 -7709
E-mail: fassjo@racsa.co.cr
Website: www.fas.usda.gov
Mr. Alan C. Hrapsky, Agricultural Attaché
Mr. Víctor González, Agricultural Specialist
Ms. Illeana Ramírez, Agricultural Marketing Assistant
Ms. Cynthia Smith-Palliser, Agricultural Marketing Assistant
Ms. Rossie Murillo, Administrative Assistant

U.S. Department of Agriculture

Animal and Plant Health Inspection Services (APHIS)

Unit 2522
APO AA 34020-9522
T:(506) 290-4548 F: (506) 296-3556
E-mail: aphiscr@sol.racsa.co.cr
Website: www.aphiscr.com
Contact: Mr. Osvaldo Pérez, APHIS Attaché

U.S. Department of State-Economic Section

Unit 2501
APO AA 34020-9501
T: (506) 220-3939 F: (506) 220-2305
Website: www.usembassy.or.cr
Political and Economic Counselor
Mr. Todd Chapman, Economic Officer
Mr. Jose María Quirós, Economist

2. CAMARA COSTARRICENSE-NORTEAMERICANA DE COMERCIO--AMCHAM

(COSTA RICAN-AMERICAN CHAMBER OF COMMERCE (AMCHAM))

US Mailing Address: 1576 P.O. Box 025216

Miami, FL 33102-5216

International mailing address:

Apdo 4946-1000

San José, Costa Rica

T: (506)220-2200 F: (506)220-2300

E-mail: chamber@amcham.co.cr

Website: www.amcham.co.cr

Contact: Ms. Lynda Solar, Executive Director

3. COUNTRY TRADE AND INDUSTRY ASSOCIATIONS IN KEY SECTORS

CAMARA DE COMERCIO DE COSTA RICA

(COSTA RICAN CHAMBER OF COMMERCE)

Apartado 1114-1000

San José, Costa Rica

T:(506)221-0005 / 221-0124 F:(506)233-7091

E-mail: camaraco@racsa.co.cr

Website: www.camara-comercio.com

Contact: Mr. Eugenio Pignataro, Executive Director

CAMARA DE REPRESENTANTES DE CASAS EXTRANJERAS (CRECEX)

(CHAMBER OF REPRESENTATIVES OF FOREIGN FIRMS)

Apartado 3738-1000

San José, Costa Rica

T: (506)253-0126 F: (506)234-2557

E-mail: crecex@sol.racsa.co.cr

Website: www.infoweb.co.cr/crecex

Contact: Mr. Walter Marín, Executive Director

CAMARA DE INDUSTRIAS DE COSTA RICA

(COSTA RICAN CHAMBER OF INDUSTRIES)

Apartado 1003-1000

San José, Costa Rica

T: (506)281-0006 / 0004 / 0005/ F:(560) 234-6163

E-mail: camind@sol.racsacosta.cr

Website: www.cicr.co.cr

Contact: Mrs. Mayi Antillón, Executive Director

**CAMARA NACIONAL DE AGRICULTURA Y AGRO-INDUSTRIA
(NATIONAL CHAMBER OF AGRICULTURE AND AGRO-INDUSTRY)**

Apartado 1671-1000

San José, Costa Rica

T: (506) 280-2173 / 225-8245 / 2801569 /280-0096

F: (506) 280-0969

E-mail: cnaacr@racsacosta.cr

Contact: Mr. José A. Madriz, President

Ms. Marisa Cordero, Executive Director

**COALICION DE INICIATIVAS PARA EL DESARROLLO
(CINDE/COSTA RICAN INVESTMENT AND TRADE DEVELOPMENT BOARD)**

Apartado 7170-1000

San Jose, Costa Rica

T:(506) 220-0036 or 299-2803 F: (506) 299-2866 or 220-4750

E-mail: abonilla@cinde.or.cr

Website: www.cinde.or.cr

Contact: Ms. Anabel Gonzánzalez, Director

Ms. Aleida Bonilla, Coordinator, Special Projects

CINDE/COSTA RICAN INVESTMENT AND TRADE DEVELOPMENT BOARD

E-mail: cindenya@aol.com

Contact: Mr. Eduardo Hernandez, Investment Officer

Ms. Pilar Madrigal, Assistant

(Office in California)

4516 Carlyle Court, Suite 1622

Santa Clara, California 95054

T: (408) 988-9001 or 988-8079 F: (408) 988-8090

E-mail: jmorales@cinde.or.cr

Contact: Mr. Armando Morales, Investment Officer

4. COMPREHENSIVE ECONOMIC INFORMATION:

Central Bank of Costa Rica - www.bccr.fi.cr

Ministry of Foreign Trade - www.comex.go.cr

Ministry of National Planning - www.mideplan.go.cr

Ministry of Economy, Industry and Commerce - meic.go.cr/ingles/

Costa Rican Foreign Trade Corporation - www.procomer.com

U. S. Bureau of Labor Statistics - <http://stats.bls.gov>

BUSINESS INFORMATION:

Costa Rican American Chamber of Commerce - www.amcham.co.cr

TOURISM:

Costa Rican Tourism Institute - www.tourism-costarica.com

Costa Rican National Chamber of Tourism -

www.costarica.tourism.co.cr

STATISTICS AND POPULATION:

National Institute of Statistics and Census - INEC

www.inec.go.cr

NEWSPAPERS:

La Nacion - www.nacion.co.cr

El Financiero - financiero@financiero.co.cr

La Republica - www.larepublica.net

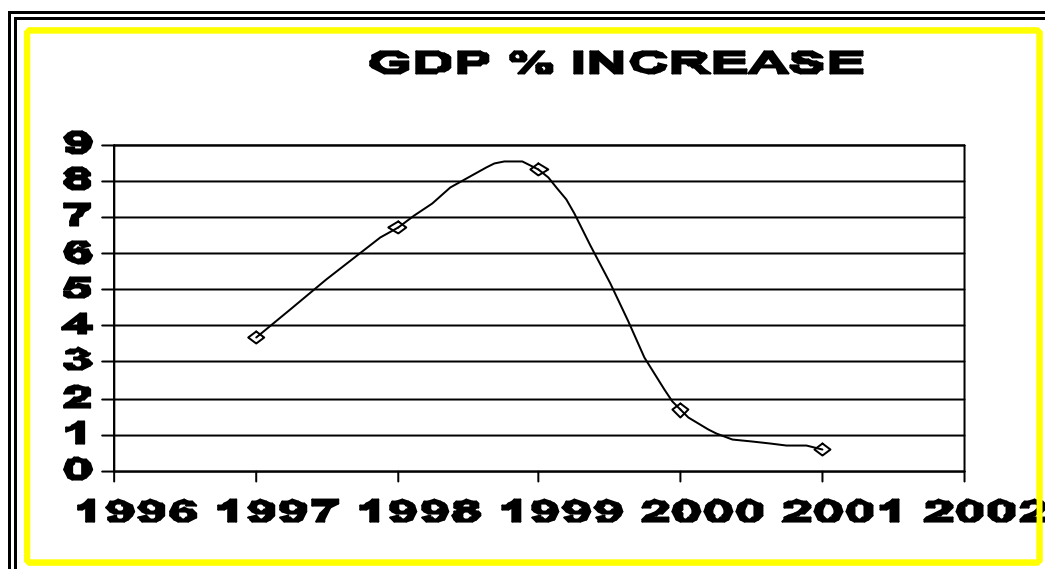
La Prensa Libre - www.prensalibre.co.cr

The Tico Times - www.ticotimes.net

APPENDIX 1- COSTA RICA STATISTICS

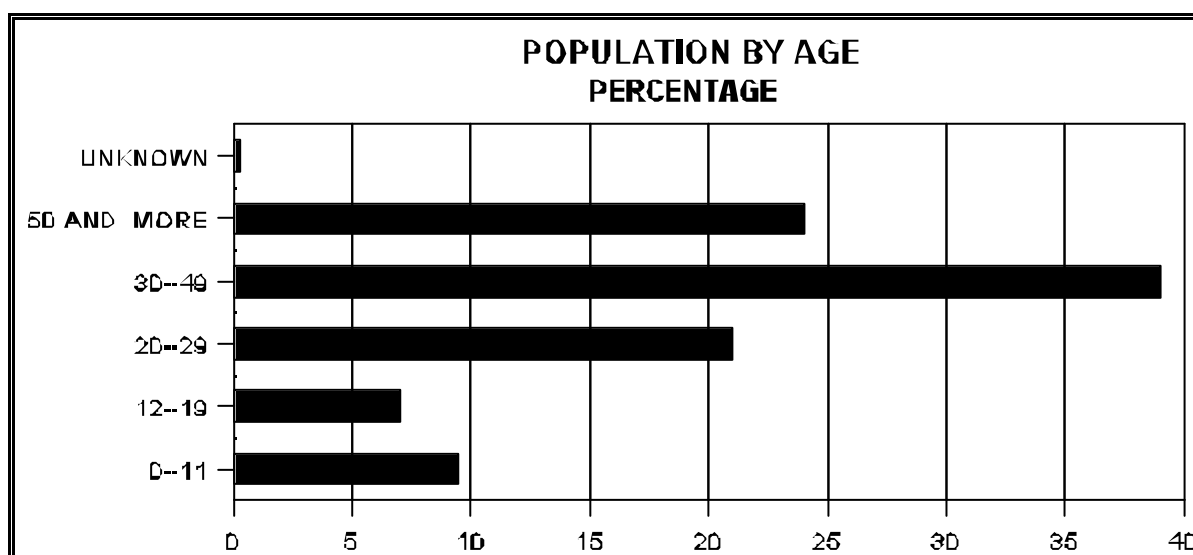
APPENDIX 1- COSTA RICA STATISTICS

EXHIBIT 1- COSTA RICA GDP INCREASE 1996-2001



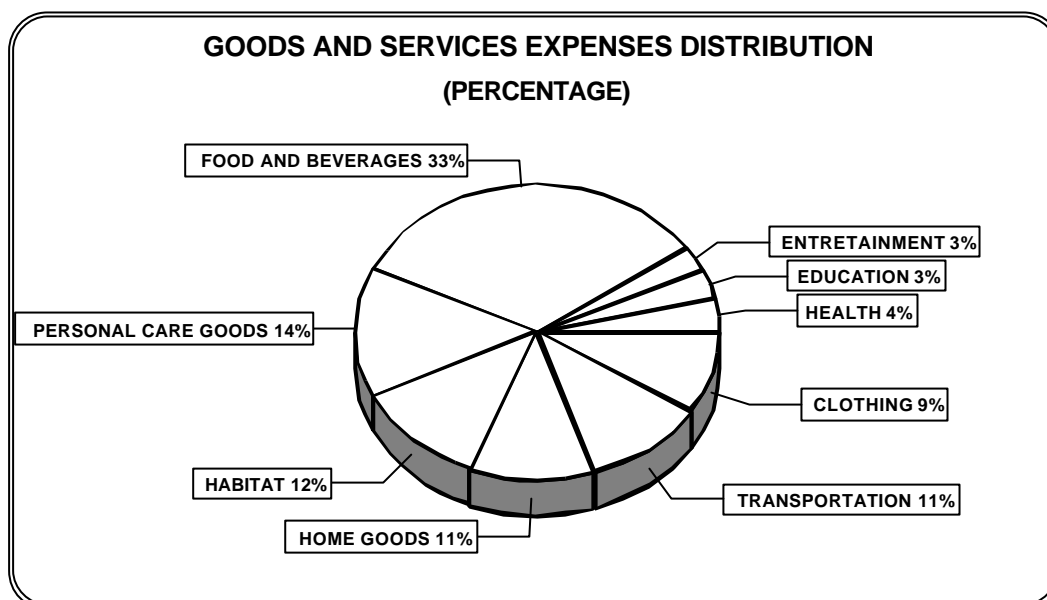
Source: Banco Central de Costa Rica. <http://www.bccr.fi.cr>

EXHIBIT 2-POPULATION DISTRIBUTION BY AGE (PERCENTAGE)

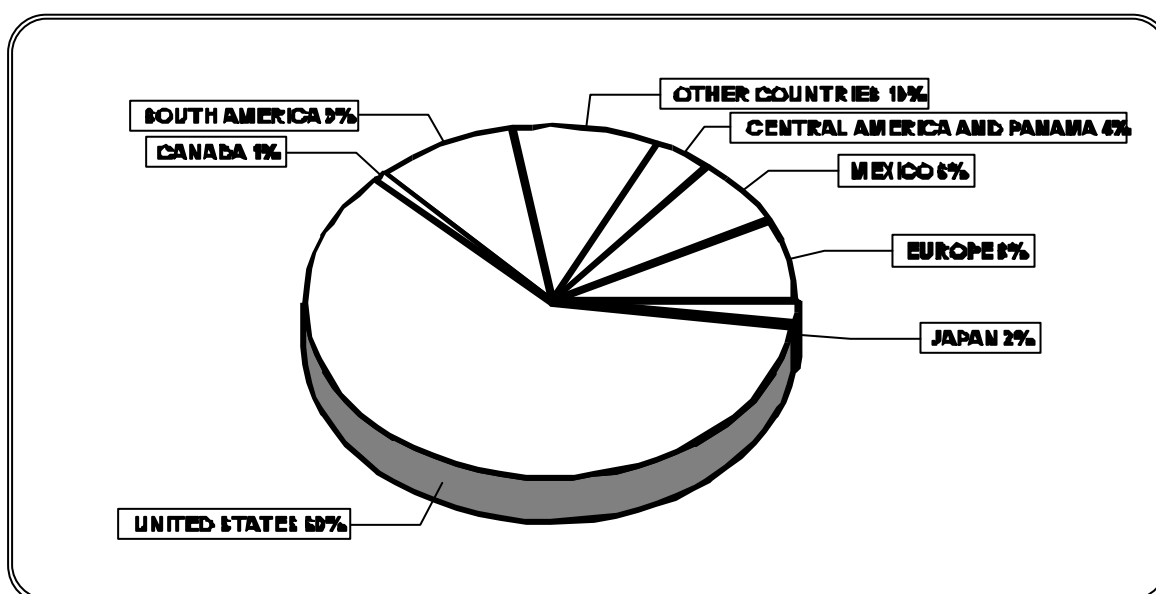


Source:
Institute

Instituto Nacional de Estadística y Censos. <http://www.inec.go.cr/>

EXHIBIT 3-DISTRIBUTION OF GOODS AND SERVICES (PERCENTAGE)

Source: Instituto Nacional de Estadística y Censos. <http://www.inec.go.cr/>

EXHIBIT 4- COSTA RICA IMPORTS PER COUNTRY(PERCENTAGE)

Source: Banco Central de Costa Rica. <http://www.bccr.fi.cr>

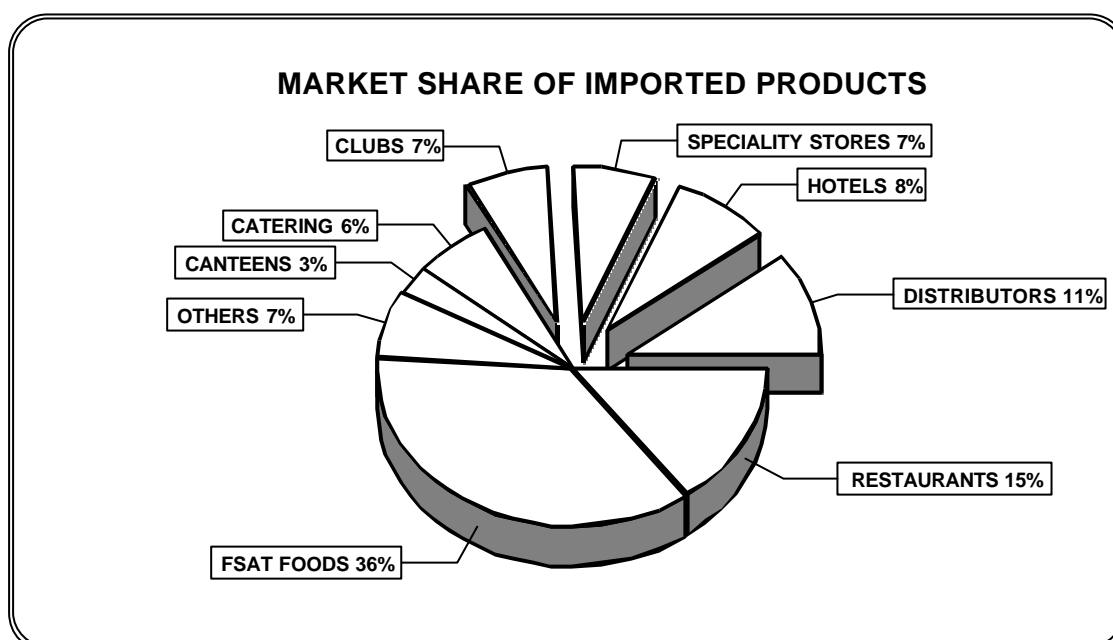


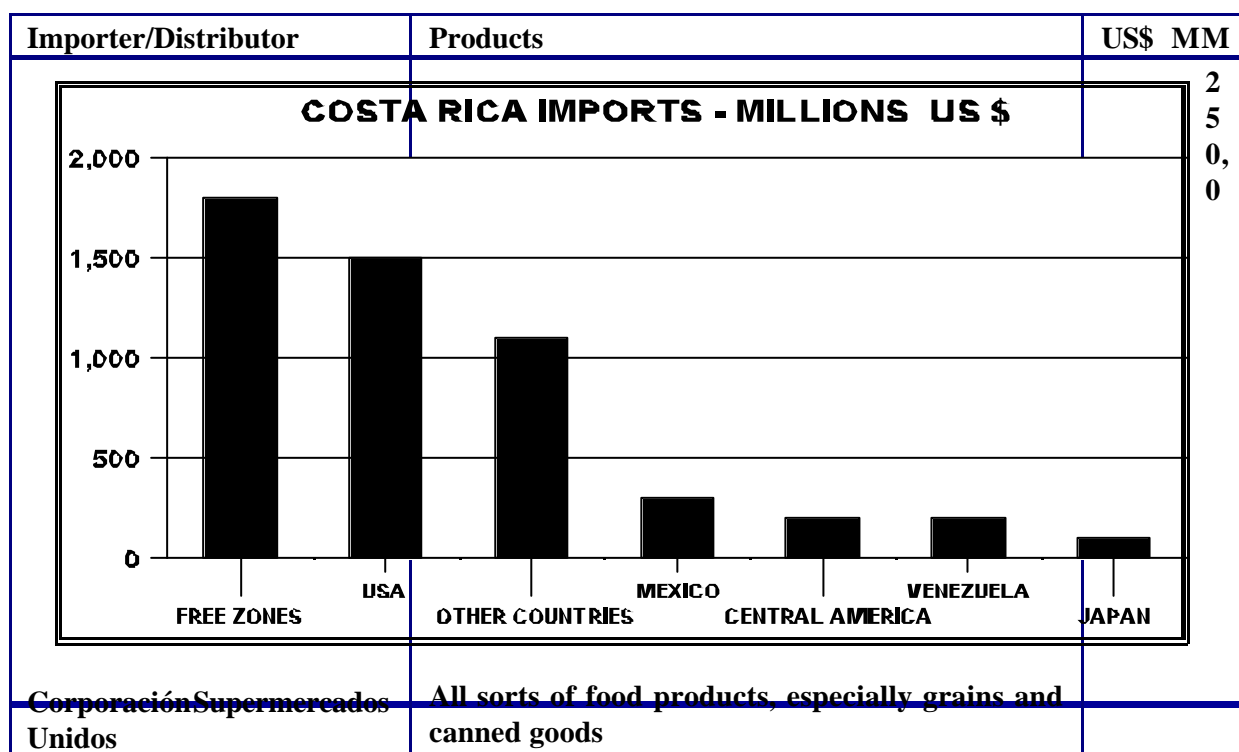
EXHIBIT 5- MARKET SHARE OF IMPORTED PRODUCTS

Source: Cámara Costarricense de la Industria Alimentaria. <http://www.cacia.org/>

EXHIBIT 6- IMPORTS PER COUNTRY IN US\$ MILLIONS

Source: Banco Central de Costa Rica, Dirección General de Aduanas and Promotora de Comercio Exterior.

EXHIBIT 7- MAJOR FOOD IMPORTERS AND DISTRIBUTORS



Grupo Constenla s.a.	All sorts of food products, groceries and canned goods.	80,0
Distribuidora Pedro Oller S.A.-DIPO	All sorts of food products, groceries, grains, canned goods, wines and liquors	68,0
Mendiola y Compañía	All sorts of food products, grains, groceries, wine, and liquors.	56,5
Mercadeo Unido- Unimar	All sorts of foods.	45,5
Distribuidora Isleña de Alimentos	All sorts of food products. Olives, oils, wines, nectars.	38,5
Cadena de Detallistas San José S.A.	All sorts of groceries, grains, canned goods, oils, margarine.	36,0
El pelón de La Bajura	Grains and groceries.	35,0
Comercializadora Arca	Powdered drinks, and other goods such as cheese and honey.	32,0
Comproin S.A.	Crackers and cookies, seasoning products, flour, vinegar and oils.	31,5
Distribuciones G B S.A.	Assorted chocolates, candy, chewing gum and canned goods.	28,9
Distribuidora Banquete de Costa Rica	Pasta, sauce, canned goods.	25,4
Caroma S.A	All sorts of groceries, grains, wines, sauce and liquors.	23,2
Ricoche S.A.	Snacks, juice, candy, canned goods, liquors.	21,5
Warner Lambert	Chewing gum and candy.	20,2
Distribuidora Irazú	Snacks, crackers and cookies, candy, chewing gum, assorted chocolates.	18,1
Distribuidora Lucema.	Pasta and other food products.	15,0
Kampville S.A.	Food products, groceries, crackers and cookies, seasoning products and oils.	13,5

Source: Cámara Costarricense de la Industria Alimentaria. <http://www.cacia.org/>

EXHIBIT 8- COSTA RICA POPULATION SUMMARY

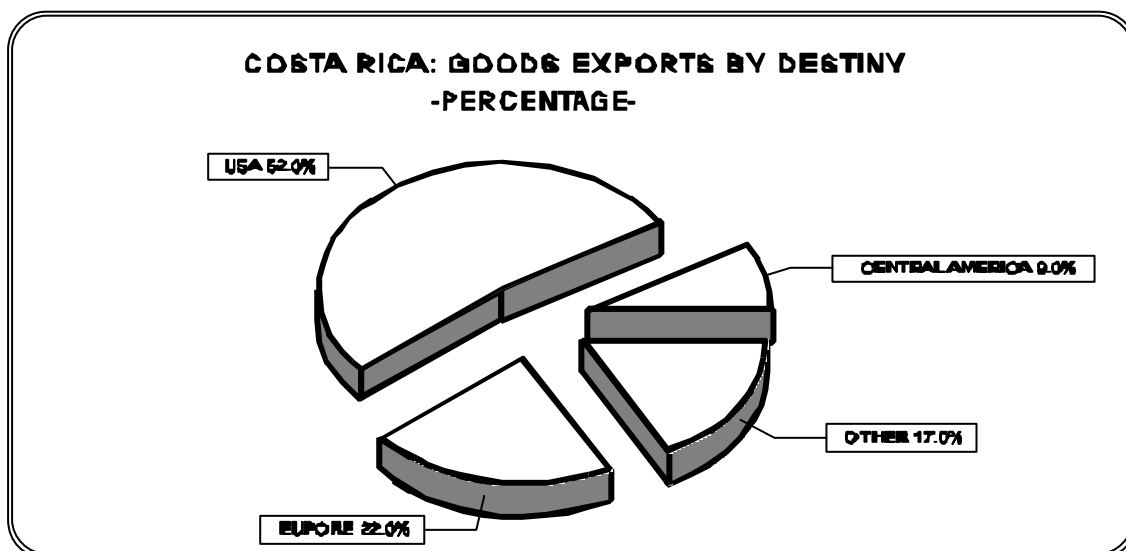
COSTA RICA POPULATION

CENSUS 2000	ESTIMATION 2001	DISTRIBUTION %
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	TOTAL	<u>3.810.199</u>	<u>3.874.972</u>	<u>100.00</u>
	0-14 YEARS	1.216.807	1.237.493	31,94
	15-29 YEARS	1.030.543	1.048.062	27,05
	30-59 YEARS	1.261.355	1.282.798	33,10
	60 AND OVER	301.494	306.619	7,91
AGE	MALE	%	FEMALE	%
0-14 YEARS	633.225	51,17	604.268	48,83
15-29 YEARS	530.32	50,60	517.742	49,40
30-59 YEARS	654.227	51,00	628.571	49,00
60 AND OVER	142.885	46,60	163.734	53,40
TOTAL	1.960.657	50,60	1.914.315	49,40

Source: INEC

STATISTICS AND CENSUS NATIONAL INSTITUTE
www.inec.go.cr

EXHIBIT 9- GOODS EXPORTS BY DESTINY

COS

TA RICA
Key Economic Indicators
 (Millions of U.S. dollars)

	1999	2000	2001	%
Total Exports FOB	6,641.0	5,880.0	5,132.0	
Exports to United States	3,452.0	3,083.0	2,670.0	52.03
Total Imports CIF	6,350.7	6,380.0	6,400.0	
Imports from United States	3,581.0	3,388.0	3,390.0	52.97
Exports in Percent of GDP	42.2	37.0	31.5	
Imports in Percent of GDP	40.4	40.2	39.3	
Nominal GDP	15,732.0	15,884.0	16,303.0	2.64
Real GDP Growth (pct)	8.3	1.7	0.5	
GDP per capita \$	4,470.0	4,290.0	4,130.0	
Exchange Rate (Colones/US\$ annual average)				JUNE 2002
Parallel	282.0	308.7	336.5	359.7
TOTAL PUBLIC DEBT	8,551.0	8,658.6	9,260.0	GDP
FOREIGN DEBT	3,057.0	3,150.6	3,194.6	0.20
DOMESTIC DEBT	5,494.0	5,508.0	6,065.4	0.37
PUBLIC DEBT DISTRIBUTION				
PERCENT				
	2000	2001		
Total Public debt	100	100		
Domestic debt	65.6	65.5		
Foreign debt	34.4	34.5		
Source: CentralBank of Costa Rica-BCCR				

COSTA RICA IMPORTS BY COUNTRY-CIF In USD\$ millions		
	2001	%
Central America	291.20	4.44
Rest of the world	6,273.10	95.56
Panama	109.20	1.66
United States	1,497.10	22.81
Canada	69.00	1.05
Mexico	365.40	5.57
Colombia	143.40	2.18
Venezuela	284.50	4.33
Germany	126.70	1.93
Japan	214.60	3.27
Other countries	1,180.80	17.99
Equipment and machinery in special regimen	225.60	3.44
Free zones	1,784.40	27.18
Active Improvement	272.50	4.15
Total	6,564.40	100.00

**COSTA RICA
EXPORTS BY COUNTRY- FOB**

In USD\$ millions

	2001	%
<i>Central America</i>	561.00	11.21
Guatemala	176.30	3.52
El Salvador	132.10	2.64
Honduras	99.90	2.00
Nicaragua	152.80	3.05
<i>Rest of the world</i>	4,444.90	88.79
Panama	117.30	2.34
United States	759.60	15.17
Canada	22.10	0.44
Mexico	41.40	0.83
Colombia	13.20	0.26
Venezuela	21.00	0.42
Germany	106.30	2.12
Belgic	86.90	1.74
UK	41.10	0.82
Italy	93.10	1.86
Netherlands	84.20	1.68
Sueden	45.40	0.91
Japan	15.30	0.31
Other countries	305.90	6.11
Free zones	2,333.20	46.61
Active improvement	359.20	7.18
<i>TOTAL</i>	5,006.30	100.00

FOREIGN DIRECT INVESTMENT BY SECTOR

(USD millions, current)

	1997	1998	1999	2000	2001
SECTOR	----	----	----	----	----
Agriculture	38.10	41.90	49.90	(11.20)	17.90
Agro-industry	6.50	14.70	10.4	11.50	6.10
Commercial	17.60	39.30	9.20	17.40	6.10
Industry	270.60	423.50	355.90	296.20	231.60
Services	(7.30)	6.60	12.70	14.60	34.10
Financial	(0.20)	22.10	93.40	27.10	29.80
Tourism	79.30	61.40	84.70	52.10	121.80
Other	2.30	2.10	3.30	0.90	0.60
TOTAL	406.90	611.70	619.50	408.6	447.90

Source: BCCR, CINDE, PROCOMER, COMEX, ICT

COSTA RICA IMPORTS
1997-2001
(In Thousands of U.S. Dollars)

PRODUCT	Imports for the U.S.					Imports from the World
	1997	1998	1999	2000	2001	
CONSUMER ORIENTED AGRICULTURAL TOTAL	33,915	45,268	45,888	52,805	54,798	175,45
SNACK FOODS (EXCL NUTS)	4,583	4,723	6,697	7,553	7,874	15,54
BREAKFAST CEREALS & PANCAKE MIX	1,307	2,401	2,452	2,202	3,236	13,94
RED MEATS, FRESH / CHILLED / FROZEN	1,330	2	1,971	2,242	2,570	6,14
RED MEATS, PREPARED / PRESERVED	563	502	302	362	471	2,11
POULTRY MEAT	102	1,635	158	586	1,256	2,08
DAIRY PRODUCTS	2,630	6,049	3,147	3,229	3,840	12,91
EGGS & PRODUCTS	1,004	3,877	1,561	510	718	1,61
FRESH FRUIT	6,124	6,662	6,186	7,851	9,025	18,56
FRESH VEGETABLES	1,029	891	1,321	3,784	902	9,56
PROCESSED FRUIT & VEGETABLES	5,167	6,689	6,291	7,241	7,481	21,96
FRUIT & VEGETABLE JUICES	1,218	2,065	2,504	3,113	3,052	8,90
TREE NUTS	303	207	586	611	834	1,20
WINE & BEER	321	695	1,157	840	877	7,93
NURSERY PRODUCTS & CUT FLOWERS	307	267	301	419	278	5,19
PET FOOD (DOG & CAT FOOD)	2,291	3,587	4,265	3,796	4,257	5,04
OTHER CONSUMER-ORIENTED PRODUCTS	4,657	4,572	6,412	7,966	7,707	41,97
FISH SEAFOOD PRODUCTS, EDIBLE	979	1,547	1,343	1,091	1,286	1,87
SALMON, WHOLE OR EVISCERATED	3	10	44	0	0	2
SALMON, CANNED	30	53	43	122	63	12
CRAB & CRABMEAT	3	14	52	31	19	2
ROE & URCHIN (FISH EGGS)	54	96	151	68	15	9
SURIMI (FISH PASTE)	324	271	287	279	323	45
OTHER EDIBLE FISH & SEAFOOD	565	1,103	766	591	866	1,15
AGRICULTURAL CONSUMER-ORIENTED AND FISHERY	33,915	45,268	45,888	52,805	54,798	17545

ANALYSIS BY: COMMODITY AND MARKETING PROGRAMS/FAS/USDA

SOURCE: U.S. BUREAU OF THE CENSUS TRADE DATA - AT www.fas.usda.gov/scripts/bico/bico_lout.asp
FOR MORE INFORMATION VISIT THE FAS WEB SITE "FASOnline"

